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Legislative Testimony

Insurance Committee

SB 16 AAC Standards For Health Care Provider Contracts

Tuesday, January 25, 2011

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Senator Crisco, Representative Megna, and members of the Insurance Committee, my name is Dr. John A. Raus and I am a practicing dentist of 34 years in Stamford Connecticut. I am a member of the Connecticut State Dental Association and serve on its Board of Governors. I wish to personally thank you for the opportunity to present this written testimony to you regarding Section 5 of SB 16, AAC Standards For Health Care Provider Contracts.

I urge you to vote in the affirmative for Section 5 of SB 16 for the following reasons:

At issue here is the growing entity of Non Covered Services (NCS) language being included within the contracts provided by the insurance companies to participating dentists. Sixteen states have already seen fit to create and pass legislation abolishing the NCS practice.

In its simplest form, NCS requires any participating dentist to adhere to the insurance company's fee arrangements regardless of whether or not a specific procedure is listed in the services provided within the contract. It also maintains that once the contracted benefit allowance for a given patient has been exhausted, the insurance company's fee schedule will still prevail. This is problematic for the following reasons:

1. It creates economic hardship for the provider. Is the undisclosed insurance fee for the non-listed service cost appropriate for the procedure?
2. Like Medicare, will more providers be forced to consider the economic impact of participation within the plans and consider to slowly withdraw from participation? How will this impact patients when their provider is no longer participating?

the fee discrepancy of \$1200 (\$1500 - \$300) for the crown. The insurance company by contract can now demand from the provider the difference paid for each buildup and each crown fabricated under its plan, in this case \$1500 (\$1200 + \$300).

It is not difficult to see the emerging pattern with respect to insurance companies and providers within Connecticut. It is difficult to fight organizations with the degree of resource the insurance companies enjoy. We really do need your help.

Once again I would like to again thank the Committee for allowing me to submit this written testimony and would be happy to make myself available at any time should you have questions.

Sincerely,

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